

MEETING #16 April 12

At a Budget Workshop Session of the e Madison County Board of Supervisors on April 12, 2007 at 7:15 a.m. in the Thrift Road Complex:

PRESENT: Eddie Dean, Chairman
James L. Arrington, Vice-Chairman
William L. Crigler, Member
Bob Miller, Member
Clark Powers, Member
Lisa R. Kelley, County Administrator
Teresa Miller, Finance Director

ABSENT: V. R. Shackelford, III, County Attorney.

JAMES ARRINGTON ARRIVED @ 8:20 A.M.

Chairman, Eddie Dean called the budget workshop session to order.

The main topic of the Workshop Session was to review the proposed budget and to reach an agreement on the final balanced budget and proposed tax levy.

The Madison County Board of Supervisors began the meeting by reviewing the February 2007 Trial Balance Report and the March 2007 Certificate of Claims, and comparing the information in those reports with similar information from March-June 2006. It was determined that revenue on hand will cover expenses anticipated for April-June 2007 and will be available as “carryover” that can be utilized to balance the proposed FY08 budget.

The Madison County Board of Supervisors then discussed the proposed tax levy:

- (1) The current real property tax rate is \$0.59 per \$100.00. Every one-cent represents approximately \$110,000 of revenue. The consensus of the Board members present was to leave the current real property tax rate in effect for the upcoming fiscal year.
- (2) The Board discussed continuation of the multi-year phase-out of the personal property tax on certain farm equipment. When the Board began the phase-out, any farm equipment on which taxes had been paid for 7 or more years was not taxable. In 2006, the Board lowered the threshold to 6 years. The consensus of the Board members was to continue the phased elimination of the taxes on farm equipment, and for the 2007 tax year

to provide that any farm equipment on which taxes had been paid for 5 years would not be subject to personal property tax.

(3) The Madison County Board of Supervisors discussed the other annual taxes and came to a consensus to leave the other tax rates the same as those established for 2006 (mobile homes; tangible personal property; machinery and tools; merchants' capital; and county automobile stickers).

(4) The Madison County Board of Supervisors discussed the current method of valuation implemented by the Commissioner of Revenue with respect to automobiles (average retail value), which has generated some controversy recently. In choosing the method of valuation, the Commissioner of Revenue is required to choose one of the valuation methods specified in the Virginia Code. The consensus of the Board members was to request the Commissioner to change the method of valuation from average retail value to a method that would more accurately reflect the trade-in value of a vehicle—which would be average wholesale value.

The Madison County Board of Supervisors also discussed specific adjustments to the draft proposed budget that was the subject of the April 10, 2007 public hearing:

(1) The Madison County Board of Supervisors discussed lingering concerns over the lack of an established long-range planning process coordinated by the School Board with the County, and the Board of Supervisors' lack of good data pertaining to the School Board's annual expenditures. The consensus of the Board was to remove \$140,000 from the School Board's proposed budget; and

(2) The Madison County Board of Supervisors discussed the Sheriff's proposed budget, and came to a consensus to remove \$72,000 from line item 8106 (motor vehicles); and

(3) The Madison County Board of Supervisors discussed the proposed budget for the Facilities & Maintenance Department, and came to a consensus to remove \$43,250 from line item 8105 (Motorized Equipment and Accessories)

With respect to the cuts discussed for the Madison County School Board, the Madison County Sheriff's Department the Department of Facilities & Maintenance, it was the consensus of the Board that if the proposed cuts would have an impact on the

planned purchase of necessary vehicles or equipment, those agencies and departments should be invited to initiate the purchase of such vehicles/equipment during the current fiscal year so the Madison County Board of Supervisors could fund purchases from current-year revenues.

After discussion, on motion of James L. Arrington, seconded by Bob Miller, the Board voted to advertise a proposed final, balanced budget to include the three (3) changes as discussed for the Madison County School Board, the Madison County Sheriff's Department and the Department of Facilities & Maintenance, with the following vote recorded:

Eddie Dean	Aye
James L. Arrington	Aye
William L. Crigler	Aye
Bob Miller	Aye
Clark Powers	Aye

After discussion, on motion of William L. Crigler, seconded by Clark Powers, the Board voted to keep the same tax rate structure for 2007 as for the previous year, with the following vote recorded:

Eddie Dean	Aye
James L. Arrington	Aye
William L. Crigler	Aye
Bob Miller	Aye
Clark Powers	Aye

After discussion, on motion of James L. Arrington, seconded by Clark Powers, the Board voted to pursue a request to the Commissioner of Revenue calling for the use of average wholesale (trade-in) value as the method of valuation for automobiles, with the following vote recorded:

Eddie Dean	Aye
James L. Arrington	Aye
William L. Crigler	Aye
Bob Miller	Aye
Clark Powers	Aye

Bob Miller related to the Board information obtained at a recent Planning District IX Committee Meeting in which the subject discussed pertained to transportation planning. He stated that Madison County has an opportunity to participate in an

Intermodal Transportation Study for the Route 29 Corridor to be funded by a state grant; he also stated it is anticipated it is anticipated that approximately \$200,000 of grant funding would be available for the study, to be matched collectively by participating jurisdictions through in-kind contributions of staff time and cooperation with persons/contractors' efforts to gather necessary information.

After discussion, on motion of Bob Miller, seconded by Clark Powers, the Board voted to endorse the planning grant application and to participate in the study if grant funds are awarded, with the following vote recorded:

Eddie Dean	Aye
James L. Arrington	Aye
William L. Crigler	Aye
Bob Miller	Aye
Clark Powers	Aye

After discussion, on motion of William L. Crigler, seconded by Clark Powers, Chairman, Eddie Dean continued the meeting to Thursday, March 22, 2007 at 2:00 p.m. in the conference room of the Thrift Road Complex, with the following vote recorded:

Eddie Dean	Aye
James L. Arrington	Aye
William L. Crigler	Aye
Bob Miller	Aye
Clark Powers	Aye

Eddie Dean, Chairman

Lisa R. Kelley, County Administrator

Date: May 2, 2007

Copies: Eddie Dean, James L. Arrington, William L. Crigler, Bob Miller, Clark Powers,
V. R. Shackelford, III & Constitutional Officers
